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April 28, 2008

VIA EMAIL

TO: ALL COUNSEL

Re: Sunset Mountains, Inc. v. Mosaic Tile Supplies, LLC

U.S.D.C., No. Dist., No. C 07-04007 PJH MED

Dear Counsel:

This will confirm that we have rescheduled the mediation in this case for June 19, 2008. beginning at 10:00 a.m. The location of the mediation will need to be determined. Please advise if you are able to have the mediation take place in your office. We agreed to keep the whole day available to allow the mediation to continue as long as it is being productive.

Please make sure that the written statements described in ADR L.R. 6-7 are exchanged and in my office seven days before the mediation. Please include any key documents you feel I should read.

Also, please remember to arrange for your clients' attendance.

Please prepare for the mediation by discussing each of the following items with your clients:

- > clients' interests, not just positions, and how these interests could be met;
- > other side's interests, and how these could be met;
- > best and worst alternatives to a negotiated settlement;
- > strengths and weaknesses of case; and
- > estimated budget to litigate the case through trial.

ALL COUNSEL April 28, 2008 Page 2

I look forward to working with you and your clients.

Very truly yours,

GORDON & REES LLP

Jack J. Slobodin

Jack L. Slobodin

JLS:bls

cc: Clerk's Office-ADR Unit